

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 3844

IN THE MATTER OF:

Served November 13, 1991

Application of RUCHMAN AND )  
ASSOCIATES, INC., Trading as )  
RAI, INC., for a Certificate of )  
Authority -- Irregular Route )  
Operations )

Case No. AP-91-32

By application accepted for filing on October 1, 1991, Ruchman and Associates, Inc., trading as RAI, Inc. (RAI), seeks a Certificate of Authority to transport passengers, together with mail in the same vehicles as passengers, in irregular route operations between points in the Metropolitan District.

By Order No. 3828, served October 7, 1991, notice of this application was given, and RAI was directed to publish further notice in a newspaper. Order No. 3828 also directed RAI to file an affidavit of publication, and RAI complied.

Both this application and a companion application of RAI for temporary authority in Case No. AP-91-31 were protested by DD Enterprises, Inc., trading as Beltway Transportation Service (Beltway), on the basis of RAI's compliance fitness.

SUMMARY OF EVIDENCE

RAI proposes to initiate operations using two 1990 vehicles, each seating 20 - 21 passengers, to conduct contract shuttle service for the United States Department of Agriculture, Animal and Plant Health Inspection Service (APHIS).

The application describes RAI's arrangements for vehicle maintenance and repairs. RAI's service facilities are located in Beltsville, MD, and its vehicle storage facilities are located in Capitol Heights, MD. Also described are drivers' minimum qualifications, training, and duties.

RAI's vice president certifies on RAI's behalf that it has access to, is familiar with, and will comply with the Compact, the Commission's rules and regulations, and United States Department of Transportation regulations relating to safe transportation of passengers for hire.

RAI filed a balance sheet as of July 31, 1991, showing (approximately) current assets of \$1,332,000, fixed assets of \$129,500, and other assets of (\$69,500), for total assets of \$1,392,000. Current liabilities are \$575,000; no long-term debt is shown. The equity accounts show a balance of \$817,000. An income statement for the twelve months ended July 31, 1991, shows (approximately) net income of \$162,000 on gross income of \$1,093,100.

For the first twelve months of operations with the authority sought in this application, RAI projects net income of (approximately) \$331,600 on total income of \$2,349,600. The financial statements note that RAI is a Subchapter S corporation and, therefore, is not subject to federal or state income taxes.

The application indicates that all of the stock of RAI is owned by its president. It is certified that neither RAI nor any person controlling, controlled by, or under common control with RAI has any relationship with a carrier other than RAI.

#### DISCUSSION AND CONCLUSIONS

This case is governed by the Compact, Title II, Article XI, Section 7(a) which provides in relevant part that:

. . . the Commission shall issue a certificate to any qualified applicant, . . . if it finds that --

(i) the applicant is fit, willing, and able to perform that transportation properly, conform to the provisions of this Act, and conform to the rules, regulations, and requirements of the Commission; and

(ii) that the transportation is consistent with the public interest.

Based on the evidence in this record, the Commission finds RAI to be fit as to finances and operations. However, we must consider Beltway's challenge of RAI's compliance fitness based upon Beltway's allegation that RAI operated the APHIS contract without the required operating authority. RAI admits conducting unauthorized operations for 5 days beginning October 1, 1991, before ceasing those operations and hiring another WMATC-certificated carrier to perform the service while RAI pressed its application.

In the temporary authority application of RAI (Case No. AP-91-31), while denying that application on other grounds, the Commission examined the situation relative to these violations and found RAI prospectively fit. (See Order No. 3839, served November 4, 1991.) The combined record in these cases does not show the situation at the time of Order No. 3839 to have changed other than by the passage of time. The Commission finds RAI fit as to compliance in this case. The Commission further finds that the proposed transportation is consistent with the public interest.

#### THEREFORE, IT IS ORDERED:

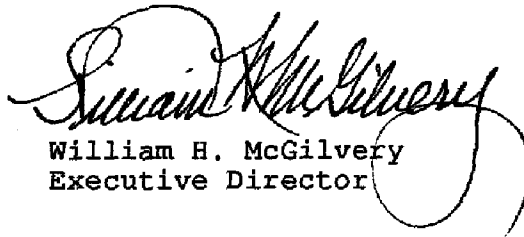
1. That Ruchman and Associates, Inc., trading as RAI, Inc., is hereby conditionally granted, contingent upon timely compliance with the requirements of this order, authority to transport passengers, together with mail in the same vehicles as passengers, in irregular route operations between points in the Metropolitan District.

2. That Ruchman and Associates, Inc., trading as RAI, Inc., is hereby directed, within 30 days of the date of this order or such additional time as the Commission may direct or allow, to file

(a) evidence of insurance pursuant to Commission Regulation No. 58 and Order No. 3623; (b) five copies of its tariff(s) in accordance with Regulation No. 55; (c) an equipment list stating the year, make, model, serial number, vehicle number, license plate number (with jurisdiction) and seating capacity of each vehicle to be used in revenue operations; (d) evidence of ownership or a lease as required by Commission Regulation No. 62 for each vehicle to be used in revenue operations; (e) its official business address as discussed in Regulation No. 68; and (f) an affidavit of identification of vehicles pursuant to Commission Regulation No. 61, for which purpose WMATC No. 191 is hereby assigned.

3. That upon timely compliance with the requirements of the preceding paragraph and acceptance of the materials required by the Commission, Certificate of Authority No. 191 shall be issued to Ruchman and Associates, Inc., trading as RAI, Inc., in the form and as worded in the Appendix to this order.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS DAVENPORT, SCHIFTER, AND SHANNON:

  
William H. McGilvery  
Executive Director

**WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION**

**CERTIFICATE OF AUTHORITY**

**NO. 191**

***Ruchman and Associates, Inc.  
Trading as RAI, Inc.***

*By Order No. 3844 of the Washington Metropolitan Area Transit Commission issued  
November 13, 1991;*

*WHEREAS, the above-named carrier is entitled to receive authority to transport  
passengers within the Washington Metropolitan Area Transit District;*

*THIS CERTIFICATE OF AUTHORITY is hereby issued to the named carrier as evidence  
of the authority to engage in the for-hire transportation of passengers by motor vehicle; subject,  
however, to such terms, conditions, and limitations as are now, or may hereafter be, attached to the  
exercise of the privilege granted to the named carrier:*

*IRREGULAR ROUTES, transporting passengers, together with mail in the  
same vehicles as passengers, between points in the Washington Metropolitan  
Area Transit District;*

*RESTRICTED TO operations conducted according to the named carrier's  
applicable tariff on file with the Commission; and*

*RESTRICTED AGAINST (1) transportation solely within the Commonwealth  
of Virginia and (2) any passenger transportation for hire on an individual  
fare paying basis in competition with any existing, scheduled, regular-route,  
passenger transportation service performed by, or under a contract with, the  
Federal Government, a signatory to the Compact, a political subdivision of a  
signatory, or the Washington Metropolitan Area Transit Authority.*

*THIS CERTIFICATE OF AUTHORITY DOES NOT AUTHORIZE ANY  
TRANSPORTATION BY ANY PERSON OTHER THAN THE CARRIER  
NAMED HEREON.*

*THIS CERTIFICATE OF AUTHORITY IS NOT VALID UNLESS THE  
CARRIER NAMED HEREON IS IN COMPLIANCE WITH THE  
INSURANCE REQUIREMENTS OF THE COMMISSION.*

*IT IS A FURTHER CONDITION of this certificate of authority that the carrier named  
hereon shall (a) provide safe and adequate transportation service, equipment, and facilities and  
(b) observe and enforce Commission regulations.*